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WILLIAM MCALISTER, JR. mcalisterb@cox-internet.com

December 8, 2006

Honorable James H. Welsh Commissioner of Conservation Department of Natural Resources Office of Conservation P. O. Box 94275 Baton Rouge, Louisiana 70804-9275

RE: Hayes Sand, Reservoir E ELLIS FIELD

Acadia Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of Samson Contour Energy E & P, LLC to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Hayes Sand, Reservoir E in the Ellis Field, Acadia Parish, Louisiana.

- 1. To establish rules and regulations governing the exploration for and production of oil and gas from the Hayes Sand, Reservoir E in the Ellis Field, Acadia Parish, Louisiana.
- 2. To create a single drilling and production unit for the Hayes Sand, Reservoir E and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created.
- 3. To designate a unit operator and a unit well for the unit so created as may be appropriate.
- 4. To provide that the Hayes Sand, Reservoir E should be exempt from the spacing provisions of Statewide Order No. 29-E and that any wells drilled outside of the Hayes Sand, Reservoir E should be exempt from the spacing provisions of Statewide Order No. 29-E.
- 5. To provide that the Commissioner may reclassify the reservoir by supplemental order and without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished the Commissioner.
 - 6. To consider any other matters that may be pertinent to this application.

The Hayes Sand, Reservoir E, in the Ellis Field, Acadia Parish, Louisiana, is hereby defined as being that oil and gas bearing sand encountered between 10,338' and 10,390' electric log measured depths (10,272' and 10,324' true vertical depths) in the Samson Contour Energy E & P, LLC - Loretta Young No. 1 Well (SN 233018) located in Section 1, Township 9 South, Range 1 West, Acadia Parish, Louisiana.

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In addition to furnishing the legal notice to all Interested Parties, the applicant will provide for <u>POSTING</u> of the legal notice of the hearing and unit plat in a prominent place in the area of the Ellis Field, Acadia Parish, Louisiana, and will cause the legal notice of the hearing to be <u>PUBLISHED</u> in a newspaper of general circulation published in the vicinity of the Ellis Field, Acadia Parish, Louisiana, at least fifteen (15) days before the hearing date.

Any pertinent data relating to the subject application can be obtained, **AT THE COST OF THE REQUESTING PARTY**, from Bill McAlister at Leon E. Comeaux & Associates, P. O. Box 53922, Lafayette, Louisiana 70505 (337)233-9839.

In compliance with the Rules of Procedure, a preapplication conference was held in Lafayette, Louisiana, on September 28, 2006, at which the parties named on the attached list were in attendance.

The conference was opened with a discussion by Mr. Bill McAlister, representing Samson Contour Energy E & P, LLC, concerning the nature and purpose of the conference and the bases for the applicant's proposed units. All Parties agreed to the applicants proposal for Reservoir E.

Mr. Larry Hebert, representing Mr. Clegg Dewalt, suggested that the proposed unit for Reservoir F be slightly enlarged to the south based on different structural contouring than the applicant's. Negotiations between the parties have been ongoing since the September Preapplication Conference for a compromise concerning the proposed Reservoir F. These negotiations are still progressing but have not as yet been finalized. Due to the time period involved we are filing our application for only the proposed Reservoir E and will continue negotiations for the proposed Reservoir F.

There is attached hereto and made a part hereof a plat outlining the proposed unit for Reservoir E only, the conference attendance list, and a list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished ONLY to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, said list of parties will be provided to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, there is enclosed our check on behalf of the applicant, Samson Contour Energy E & P, LLC, in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES

Bill McAlister

BM/cu Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested Owners and Represented Parties

